THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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FEWER ANIMALS—HIGHER PRICES

Farm operations are tightening up for winter. The potatoes are dug, the apples picked, cotton is practically all picked, corn husking is well along. In every section unusual efforts have been made to save every ounce of feedstuffs, but even so the stacks and mows and granaries are the leanest in many years.

Prices of some of the late sectional crops are anything but encouraging to growers, as, for example, potatoes, cabbage, buckwheat, apples. On the other hand, the country's two principal cash crops, wheat and cotton, are selling higher than last fall.

All the feed crops are very high in price—hay, corn, oats, and the other grains. Since these are the raw materials from which livestock products are made, the effect is to add to the difficulties of stockmen who, over wide areas, are short of home-grown feeds.

The feed shortage has forced a reduction in the livestock population which almost surely means higher prices next year. Hog prices, for instance, are likely to see a strong advance next spring and summer. Slaughter supplies of hogs for the year beginning October 1 are likely to be the smallest in more than 20 years. The 1934 spring pig crop was about 28 percent less than in 1933, and it is not improbable that this fall's crop is fully 50 percent below last fall. Moreover, hogs will be sold at weights much lighter than average.

The total number of cattle in the country by the end of this year apparently will be about 10,000,000 head less than a year ago. That puts the number back down about where it was 7 years ago when cattle were at the low point of the current production cycle. Most of the decrease has been in cows and heifers. Moreover, there is likely to be further decrease next year and an upswing in production is not probable until 1936. Around 7,000,000 head of cattle have been bought by the Government under the drought relief program.

If range and feed had been normal this year, there probably would have been an increase in sheep numbers; but as it is they will show a decrease. The 1935 lamb crop will be reduced considerably.

Egg and poultry production also have been reduced as a result of the drought. With respect to turkeys, which are a subject of interest this month, prices tended slightly downward during October, but here again the crop is reported to be smaller than last year and the price of the Thanksgiving bird is expected to be somewhat higher.

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THE HOG SITUATION

The immediate and long-time outlook for the hog industry, like that of cattle, has been modified considerably since early June 1934 by conditions resulting from the drought. The principal effect of the drought and the resulting feed shortage has been a further curtailment in hog production. A reduction in hog production was already under way prior to the drought, this reduction being the result of high corn prices in relation to hog prices during the last half of 1933 and the first half of 1934 and the operation of the Federal hog-production control program which was started in late 1933. Because of the present feed shortage it is expected that the 1934 fall pig crop will be smaller than it otherwise would be and that the 1935 spring crop will be reduced somewhat more than it would be if feed were not so scarce. Furthermore, weights of hogs slaughtered during the next 12 months will be much lighter than average.

Hog prices in 1934–35 are expected to average materially higher than the relatively low levels of prices in the last 3 marketing years, largely because of the prospective substantial reduction in slaughter supplies of hogs and other livestock. The advance in hog prices is likely to be most pronounced in the summer months of 1935, but a rise of substantial proportions probably will occur before the end of the winter season.

Slaughter supplies of hogs for the hog-marketing year beginning October 1, 1934, are likely to be the smallest in more than 20 years. The total pig crop for 1934 has been greatly curtailed as a result of the corn-hog adjustment program, the very unfavorable relationship between hog prices and corn prices prevailing since the middle of 1933, and the shortage of feed supplies occasioned by the severe drought during this year. It is this pig crop (farrowed in 1934) from which the market supply of hogs will be obtained in the 1934–35 marketing year. In view of the very short supplies and the high prices of corn and other feed grains, hogs will be marketed at weights much lighter than average, consequently the decrease in production of pork and lard will be relatively greater than the reduction in numbers of hogs slaughtered.

The spring pig crop of 1934 was estimated to be about 28 percent smaller than that of 1933. Sharp decreases in the crop were reported in nearly all States and the percentage decrease in the Corn Belt was about the same as that for the entire country. Because of this marked reduction in the spring pig crop, the supply of hogs marketed in the current winter marketing season (October 1934 to April 1935) will be the smallest in many years. Total federally inspected slaughter during these 7 months probably will not exceed 24,000,000 head and may be as small as 23,000,000 head. Slaughter in that period last fall and winter, following the purchase and slaughter of about 6,400,000 pigs and sows in connection with the emergency hog-production control program, totaled 27,363,000 head. Because of the very limited supply and the high prices of feed for hogs, there will be a pronounced tendency to market hogs much earlier than usual; as a result, the proportion of the winter supply that comes to market before January will be about the largest on record. A somewhat similar distribution of slaughter supplies occurred following the short corn crops of 1894, 1901, and 1924.

Estimates of the 1934 fall pig crop are not yet available. In the June pig crop report it was estimated that the number of sows to farrow in the fall season of 1934 would be 38 percent less than the number farrowed in the fall of 1933. During the summer, after the issuance of the June report, crop conditions generally became very unfavorable and the corn-crop prospects of early June did not materialize in many States. Corn prices, which were relatively high compared with hog prices during the last half of 1933 and the first half of 1934, have continued relatively high since the release of the June pig crop report. In view of the shortage of feed supplies, especially feed grains, brought about by the drought, it now appears that the decrease in the 1934 fall pig crop will be even greater than that estimated in the June report; a reduction of about 50 percent from the fall crop of 1933 is not improbable. The marketing season for the fall crop is largely from May to September of the following year. On the basis of present indications as to this year's fall pig crop, hog slaughter next summer (May to September 1935) may be the smallest for that season in at least 25 years. A sharp decrease in the summer hog slaughter from the preceding year occurred following other years in which the corn crop was greatly reduced. In 1895, following the drought of 1894, summer slaughter supplies were reduced 17 percent. In 1902, after the drought of 1901, the reduction in summer slaughter amounted to 22 percent.

Based on the foregoing preliminary estimates of the 1934 pig crops, it appears likely that inspected slaughter in the hog-marketing year, 1934–35, will be from 20 to 25 percent smaller than the slaughter in the year just ended, which totaled about 43,900,000 head. Compared with the 5-year average (1928–32) inspected slaughter in 1934–35 probably will be reduced about 25 to 30 percent. The average weight of hogs slaughtered under Federal inspection in 1933–34 amounted to about 221 pounds compared with 232 pounds in 1932–33, and the 5-year average (1928–32) of 231 pounds. The very high prices of corn in relation to prices of hogs undoubtedly will result in a further reduction in the weights of hogs marketed in the present marketing year (1934–35). The average weight for the entire year probably will be the lightest for any year since 1916, at least. As a result of this probable much lighter average weight at which hogs will be marketed, the decrease in the total production of federally inspected pork and lard probably will be relatively greater than the decrease in number of hogs slaughtered.

Because of the light weights and low quality of hogs marketed in recent months, yields of lard per 100 pounds live weight have been extremely low. Lard yields in every month since February this year have been the smallest for the month in question in the 12 years for which records are available. Since hogs are likely to be marketed at very light weights during the next 12 months, lard yields are likely to continue low, and production of lard in 1934–35 probably will be reduced relatively more than the production of pork.

Present storage stocks of hog products are not burdensome. At the beginning of the storage season last November stocks of both pork and lard were large; holdings of lard on November 1, 1933, were the largest for that date on record. Stocks of pork and lard continued large throughout the 1933–34 winter season, but since last spring the reduction in stocks has been greater than the usual seasonal de-

crease. On September 1, 1934, total storage holdings of pork, amounting to 540,000,000 pounds, were the smallest on record for that date and were 29 percent less than a year earlier and 16 percent smaller than the 5-year September 1 average holdings. Lard stocks on September 1, totaling 169,000,000 pounds, were 25 percent less than on September 1 last year, but they were 22 percent greater than the 5-year average for that date. As compared with a year earlier, the decrease in storage stocks is equivalent to the products of about 1,700,000 hogs.

Because of the smaller domestic slaughter supplies of hogs and the restrictions to foreign trade in many countries, United States exports of hog products during the last year continued near the very low levels of the 2 preceding years. Exports of pork in 1933–34, totaling nearly 160,000,000 pounds, were about 20 percent greater than in 1932–33. Lard exports, on the other hand, of about 525,000,000 pounds were 8 percent smaller than those of a year earlier. An important factor tending to maintain exports during the last year has been rebate of the equivalent of the hog-processing tax on all exports of hog products, and the relatively high level of pork prices in Great Britain, the leading export outlet. However, increased restrictions on imports of lard in Germany have tended to limit further the United States exports of that product. In view of the greatly reduced slaughter supplies of hogs in prospect for the current marketing year, it seems likely that exports of both pork and lard will be considerably reduced. The decline in exports of hog products, however, may be relatively less than the decrease in production because of the processing-tax rebate. Probable decreases in hog production in several important European producing countries also will tend to strengthen the foreign demand for United States hog products in the coming year.

Hog prices in the first quarter of the marketing year just ended were at a relatively low level, but as hog slaughter was seasonally reduced in the late winter, prices advanced sharply; this advance, however, was of short duration and hog prices declined steadily from early March until early June. With some curtailment in supplies in June, prices again advanced and most of this rise was maintained through July. The seasonal reduction in hog slaughter from July to August was much greater than usual, and with the return of more moderate temperatures in August consumer demand for meats improved and one of the most pronounced advances in hog prices on record occurred during the month. In late August the top price of hogs at Chicago reached $8.05, the highest price paid at that market in more than 3 years. Following this sharp advance, market supplies of hogs increased and prices declined, about half of the August rise being lost by the end of September.

Despite the fact that the proportion of the 1934–35 slaughter supplies of hogs marketed before January will be greater than average, the total live weight of hogs slaughtered during this period will be smaller than that slaughtered during the corresponding period a year earlier. Because of the decrease in total weight and the reduction in storage stocks, total available supplies of pork and lard for this period probably will be considerably smaller than for the same period last year. The seasonal decline in hog prices in the coming fall and early winter, therefore, is likely to be less than usual and of shorter duration. With prospects for a substantial curtailment in slaughter

supplies after January, a strong storage demand for hog products is likely to prevail in the early winter, and this will be a strengthening factor to hog prices during that period.

In the late winter and early spring the seasonal rise in hog prices is expected to be greater than average, since the greatest decrease in hog marketings in the winter season will occur at that time. For the entire winter season, therefore, hog prices probably will average well above the levels of the winter seasons of the last 3 years. In view of the probable sharp decrease in average weights of hogs marketed during the next 6 months, it is likely that supplies of heavy hogs will be very short, and such hogs will sell at a substantial premium over light and medium-weight kinds throughout the winter. Normally there is little difference in the prices of the different weights of butcher hogs during the winter season.

Since hog slaughter next summer will be very much smaller than average, hog prices will average much higher in that season than in the summer of 1934 and perhaps higher than at any time since the summer of 1930.

Although large reductions have occurred in both the spring and the fall pig crops of 1934, the short supplies and high prices of corn and other feed grains are likely to cause the 1935 spring pig crop to be even smaller than that of 1934. Notwithstanding that hog prices advanced sharply during the summer, the rise in corn prices was relatively as great and the hog-corn price ratio remains below average. This ratio has been unfavorable for hog production since June 1933, and apparently will continue so for several months at least. Prospects therefore point to a continued low level of hog slaughter during most of 1935–36. When hog production will increase depends to a considerable extent upon changes in corn production. If the yield of corn in 1935 should be average or larger, supplies of corn would be large in relation to hog numbers, and a substantial increase in the 1935 fall pig crop and in both pig crops of 1936 probably would occur. However, an increase in pigs produced in 1936 would not be reflected in hog slaughter supplies until the marketing year, 1936–37. Even under most favorable conditions for hog production, several years probably will elapse before hog slaughter again reaches the level prevailing during the last 5 years.

FRUIT AND VEGETABLE SITUATION

The commercial apple crop in most sections seems to be turning out well, showing a large proportion of good fruit, although in the Northwest late damage from insects was serious. Prices of apples are more uniform than usual in producing sections, and a range of $1 to $1.35 covers most sales of good bushel pack fruit at country shipping points from western New York and the Shenandoah Valley to the Upper Lakes region and in the Pacific Northwest. Baldwin, the leading eastern variety, sells at $1.25 a bushel in western New York and western Michigan. Stayman has been quoted at $1.15 in the Shenandoah Valley and Jonathan around $1 in the Pacific Northwest.

APPLE PRICES FIRM

Prices of apples range mainly according to variety but average a little higher than a year ago, except in the West and Northwest, and a little higher in the Middle West than in the East or South. Growers in the basket-pack regions are netting more per bushel this season because the expensive box packing and the freight brings the net return for northwestern apples generally below $1 a bushel. The apple market started high but declined quickly and then held about steady, but with scattered gains in the East during October. Standard varieties which were selling for $3 a barrel last year at country shipping points are quoted at $3.25 to $3.65 this year but some varieties are cheaper this year, especially the southern York. The Baldwin was a light crop in the Northeast because of winter injury to the trees. Baldwin and other red varieties suitable for storage were in good demand. Commercial storage space was being fully occupied early in the season.

The principal "out" in the apple prospect is the rather poor export market. Europe has a great many apples and most countries are doing about all they can to reduce imports. Eastern apples can get along this year without much foreign trade, perhaps, but if the surplus boxed apples are not sold in Europe they may overload home markets, at least during the first part of the season.

POTATO PROSPECT DOUBTFUL

The potato crop repeated the performance of last year by improving near the end of the growing season. Gains in size brought the usual defects resulting from overgrowth. Some trouble in grading is likely but on the whole the eastern and midwestern crop seems at least average in market quality. The western crop, where drought injury was severe, runs strongly to No. 2's. The crop shortages are mostly in the drought States. Location of the surplus is chiefly in Maine and in the four or five potato-growing States bordering on the Great Lakes. These sections are within easy reach of the great markets and in position to keep on shipping, even when prices are low. The surplus in the West is likely to be marketed also, because the lighter crop there assures sufficient demand for the special varieties grown.

Western growers have been getting prices not far below those of last season, but prices are about 20 percent lower this year in midwestern producing sections and 50 percent lower in some eastern potato areas. Still the price level is somewhat above those of 1931 and 1932. Prices in western New York potato districts have been running as low as 20 to 22 cents a bushel in bulk in late October and potatoes were selling around 50 cents a barrel in bulk in northern Maine. The price of stock packed for shipment was mostly between 60 and 70 cents per 100 pounds in New York, Michigan, Wisconsin, and Idaho, and the market tone was none too firm even at these low levels.

Many official market forecasts and some from trade sources seem resigned to continued low prices because of late crop improvement, abundance of most competing vegetables, lack of active buying, expected increase in early southern acreage of potatoes and truck crops, and location of the season's main crop surplus in producing sections mostly convenient to great consuming centers.

Still, the facts are that the main crop is only about average, according to the October crop report. The quality is generally good, the current prices are low for such conditions, and a return of better demand would be likely to change the market picture by calling for the former total season shipments of about 250,000 carloads instead of 200,000, or so, as in recent years. Part of the recent decrease is owing to increased shipments by motor truck, but on the other hand the population has been increasing right along. Better demand with more active business conditions or some serious injury to the stored potatoes or to the growing southern crop might help the winter market and the potato position might benefit in any strong upswing of the markets for other food products.

CABBAGE PRICES ALSO LOW

Cabbage is in much the same position as potatoes. The crop turned out larger than expected and prices paid in October to growers declined to only $4 to $5 per ton in bulk and the kraut factories in the East were paying as low as $3.50. Prices are somewhat higher in the Middle West, some cities quoting $15 or more per ton while eastern markets range $10 to $12. The cabbage market declined almost steadily from the middle of September until late in October and some growers found sales hard to make. Freezing weather might change the situation quickly, as happened last year.

The onion crop and prices are much like those of last year. Storage movement has been rather active on the possibility that last season's rise of 25 to 50 cents per 50 pounds will be repeated. Early reports suggest increased acreage in some southern and southwestern producing sections.

Carrots have been selling a little better than at the beginning of the season and price range of bulk stock has been $11 to $12 in eastern producing sections. Canning and soup factories have been buying many of the car lots. The large markets quote bushel packs at 50 to 75 cents.

The celery market continued dull through most of October, despite light shipments, but began to pick up toward the end of the month, although the price did not change at once. The early varieties have been selling around 75 to 90 cents per crate in New York producing sections. Warmer weather in early fall hurried the crop along but probably reduced the yield. Condition in October was not so good as in September and not so good as it was a year ago. Production in New York State is expected to be at least 200,000 crates below that of last season, although acreage was not much less this year; much of the loss, however, will be made up by increased production in New Jersey and the far West. California has a large acreage and may offer severe competition.

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THE NEW TRADE AGREEMENT WITH CUBA AS IT AFFECTS AGRICULTURE

The foreign trade agreement with Cuba is the first agreement that has been signed under the Trade Agreement Act. It became effective on September 3, 1934, and unless terminated under special provisions of the agreement remains in force for 3 years, after which time it may be terminated by either Government upon 6 months' notice. Upon termination of the new agreement the provisions of the commercial convention of 1902 automatically resume operation.

Cuban and United States products, formerly permitted free entry by the contracting parties, still enjoy the same treatment. Dutiable products of both countries not specifically provided for in the agreement are, in most cases, to receive the same tariff treatment as was accorded them prior to the agreement. Under the terms of the agreement Cuba reduces the duty on American lard, wheat flour, pork, cotton thread and cloth, automobiles, and many other agricultural and industrial products and the United States reduces the duties on Cuban sugar, tobacco, winter vegetables, and certain other items. No United States duty was lowered more than 50 percent and the more important reductions were less than that percentage.

EFFECT ON AGRICULTURE

There are two aspects of the Cuban trade agreement of outstanding importance to American agriculture. The first is that the agreement will result in a larger market in Cuba for the products of our farms and factories. The second is that this is accomplished without endangering the prices of the American farm products on which the United States reduces the duty.

As to the first point, the lower duties granted by Cuba on our flour, lard, automobiles, etc., will tend to lower their prices in Cuba and thereby increase their market in that country. Though the Cubans will have about $24,000,000 more to spend as a result of our lowering the duties on sugar and tobacco, this addition to Cuban purchasing power is not a clear gain of that amount in the total market for American farm products.

The principal concessions granted by the United States have been safeguarded in such a way as to protect the farmer from increased competition from the Cuban products on which duties were reduced. In the case of sugar the safeguard consists of a quota limiting the quantity that may be imported from Cuba in any given year to 1,902,000 short tons and in the additional fact that the quota is low enough so that it would probably have been filled even if the agreement had not reduced the duty. Thus the reduction in the duty will not increase the imports of sugar, and therefore the price of sugar in the United States will not be adversely affected by the reduction in the duty.

The safeguard in the case of tobacco is also a quota low enough so that it would probably have been filled in 1935 even if there had been no reduction in the duty. Therefore, the reduction in the duty on Cuban tobacco should not cause any change in the amount of Cuban tobacco imported in 1935 from that which would have been brought in if there had been no reduction in the duty. From this it is concluded that prices paid domestic producers for competitive types should not be affected.

The concessions granted by the United States on fresh fruits and vegetables have been safeguarded in two ways. Certain reductions in duty, such as the one on pineapples, affect products not produced in important amounts within the continental United States. Though the reductions in the duties on other fresh fruits and vegetables such as grapefruit, limes, lima beans, potatoes, tomatoes, cucumbers, eggplant, okra, peppers, and squash may result in larger imports yet this increase in imports will, by the terms of the agreement, be confined to certain months, and in those months market supplies of the corresponding domestic product are small.

CUBA'S CONCESSIONS TO THE UNITED STATES

Cuba reduces the duties on imports from the United States valued in 1932 at $18,100,000 or on about two-thirds of the total Cuban imports from the United States in that year. If Cuban imports from the United States should return to 1929 levels, the concessions granted by Cuba would affect United States products valued at several times the above figure. Since in the past industrial products have accounted for over two-thirds of the value of Cuban imports from the United States, it is not surprising that Cuba reduces duties on more industrial than agricultural products.

The value of flour imported from the United States is much greater than the value of lard imports yet the reduction in the Cuban duty on lard is probably a more important concession than the reduction in the duty on flour. This is because the reduction in the duty per pound of flour imported from the United States and made from wheat grown in the United States is only 3 percent of the 1932 price of flour per pound, whereas the initial reduction in the duty per pound of lard is 49 percent of the 1932 price and by 1936 the reduction will be about 55 percent.

The old Cuban duty on lard from the United States was $9.60 per hundred pounds or 20 percent less than the rate on lard from other countries. The agreement reduces this duty to $2.27 per hundred until September 3, 1935. On that date the duty is to be reduced to $1.86 per hundred pounds, a year later to $1.45 per hundred pounds, and it may not be increased during the remainder of the life of the agreement. In addition the treaty provides that the existing consumption tax of $1 per hundred pounds will be eliminated not later than September 3, 1936, and will not be increased in the meantime.

Flour is separated into three categories by the treaty. Flour imported from countries other than the United States pays the highest rate of duty or 59 cents per hundred pounds. This may be called the general rate. Flour imported from the United States, *not* made entirely from wheat grown in the United States, pays a duty of 41 cents per hundred pounds, or 30 percent less than the general rate. Neither of these rates was changed by the agreement. Flour imported from the United States, which is made entirely of wheat grown in the United States, pays a duty of 35 cents per hundred pounds, or 40 percent less than the general rate. Prior to the treaty this flour received the same treatment as flour in the second category. On flour of the last two classes the duty may not be increased but may be lowered and the percentage reductions from the general rate may be increased but may not be decreased during the life of the treaty.

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The treaty also provides that within a period of not more than 2 years from the date on which the agreement becomes effective the consumption tax of 50 cents per hundred pounds on flour not from the United States and 35 cents per hundred pounds on flour from the United States shall be abolished.

Cuba also made concessions on vegetable oils, beans, fresh and canned vegetables and fruits, dried fruits, nuts, canned meat, and many other agricultural products—about 75 tariff items in all. In addition, Cuba lowered the duties on a long list of nonagricultural products.

CONCESSIONS MADE BY THE UNITED STATES TO CUBA

The United States in return for the reduced duties, increased preferences, and reduced and stabilized consumption taxes granted by Cuba has made concessions on 93 percent of the value of dutiable imports from Cuba in 1932. Most of these concessions are on agricultural products, since most of the imports from Cuba are agricultural products.

The concession on sugar is the principal concession made by the United States. No matter whether the various concessions be compared upon the basis of the value of imports involved, or nominal loss in revenue involved, or the size of the decrease in duty compared with the price of the product, in all cases sugar leads the list. The rate of duty on 96° Cuban sugar was reduced from 1½ cents per pound to 0.9 cent per pound. The new rate may be lowered but not increased during the life of the agreement. The quota of 1,902,000 short tons allotted Cuba by the Costigan-Jones legislation is not affected by the treaty and the treaty provides that if the quota should be removed the old rate of duty on Cuban sugar is to be automatically restored.

The next most important concession was made on tobacco. The rate on stemmed filler tobacco from Cuba (the largest tobacco import classification), was reduced from 40 cents per pound to 25 cents per pound. The new rates may be reduced but may not be increased during the life of the agreement. Imports of Cuban tobacco are limited by the agreement to 18 percent of the total quantity used in the manufacture of cigars in factories of the United States during the preceding calendar year. If and when the Secretary of Agriculture of the United States gives notice that the cigar tobacco adjustment program in the United States has been substantially abandoned the duties on tobacco from Cuba shall be determined as though such commodities were not mentioned in the agreement but shall not exceed those in effect just prior to the signature of the agreement.

Many of the duties on off-season fruits and vegetables imported from Cuba were reduced the full 50 percent permitted by the Trade Agreements Act. This is true of pineapples in crates, limes, grapefruit, lima beans, green or unripe, white potatoes, cucumbers, eggplant, and okra. On the other hand, the duties on imports of tomatoes, peppers, and squash from Cuba were only reduced 25 percent. The reduced duties apply only to specified months and those months are those in which domestic marketings are light.

A more complete statement including tables showing old and new duties will be published in an early issue of Foreign Crops and Markets.

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EGG AND POULTRY MARKET SITUATION

The market on fresh eggs in October was featured by a sharp drop in receipts and a rapid rise in prices, particularly on the better grades. The market on storage eggs, however, was inclined to drag, and any effort to make other than a moderate advance was tempered by only a nominal demand at the higher levels. Apparent consumption showed slightly more than the usual seasonal improvement from that of September. Data available on the trade output of the four principal markets for the first 3 weeks indicated a decrease of about 7 percent from that of the corresponding 3 weeks of last year. For September the trade output of these markets was almost 25 percent smaller than a year earlier. Although the downward trend in storage stocks was not quite as rapid as desired generally by owners of storage eggs, withdrawals on the whole showed a reasonable improvement over those of September, and brought a slightly steadier sentiment into the storage situation.

After allowance is made for the usual seasonal changes the general supply situation is not greatly different from that of a month ago, except that the scarcity of white eggs indicates a very sharp decline in production on both the east and west coasts, while slightly more plentiful supplies from the Middle West point to some improvement in the trend of production in that general area. Usually, mixed colors compete to a greater extent with storage eggs than do the top grades of white eggs, and the more liberal receipts of the former in the last few weeks has to some degree offset the effects of the smaller stocks of shell eggs in storage. Most of the Middle Western States included in the general drought area experienced a sharp cut in production during June, July, and August, but under the influence of more temperate weather conditions production during September and October showed a more normal relation to that of the same months last year. It is expected, though, that the coming of cold weather and the general shortage of feed in most of the Middle Western States will tend to lower production in that region.

Eggs in cold storage on October 1 amounted to 6,803,000 cases of shell eggs and 99,881,000 pounds of frozen eggs, compared with 7,466,000 cases of shell eggs and 93,769,000 pounds of frozen eggs on the same date last year. Stocks of shell eggs and frozen eggs, combined on a case-egg-equivalent basis as of October 1, amounted to 9,657,000 cases, compared with 10,128,000 cases on October 1 last year, and 10,017,000 cases for the 5-year average. Reduction in shell-egg stocks during September equaled 1,135,000 cases, about 23 percent less than the reduction of 1,478,000 cases during September last year. Reduction in stocks of frozen eggs in September was, however, about 30 percent larger than in the same month last year, amounting to 12,113,000 pounds compared with 9,267,000 pounds a year earlier.

As a result of the smaller stocks of storage eggs this year, and also a fresh-egg production that is less than that of a year ago, the demand for frozen eggs particularly has been especially active during the last 2 to 3 months. The sharp reduction in record-breaking stocks of frozen eggs since the 1st of August has proved heartening to holders of cold-storage stocks of both shell and frozen eggs, and at the present moment the tendency seems to be to hold such stocks a little more

firmly, in the expectation that quotations will work materially higher before the end of the year.

The poultry markets during October were generally easy to weak. Farm marketings continued quite heavy throughout many of the Middle Western States, and receipts of dressed poultry at the principal markets were slightly in excess of those of a year earlier. Trade output at those markets for the first 3 weeks of October was about 20 percent less than that of the corresponding 3 weeks of last year, due largely to a sharp decline in prices of competing meats in late September which weakened the demand for all kinds of poultry and caused a general decline in poultry prices of 2 to 3 cents. Although present evidence is not definitely conclusive, it indicates that the rate of poultry marketings in many of the drought-stricken States where feed supplies are very short is gradually slowing up, as the greater than seasonal rise in egg prices is causing many farmers to hold back quite a number of this year's layers which are normally sold during the culling season, as well as a larger proportion of this year's pullet crop.

The into-storage movement of poultry during September was quite heavy, amounting to 9,218,000 pounds, compared with 2,388,000 pounds in September last year. The heavy receipts and disappointing demand for current consumption were chiefly responsible for this large into-storage movement rather than any particularly strong demand for storage purposes. Total stocks of dressed poultry in storage on October 1 amounted to 55,271,000 pounds compared with 50,177,000 pounds on October 1 last year, and 49,359,000 pounds for the 5-year average. Since the 1st of October, the increase in storage stocks of poultry at 26 of the most important storage centers has been about twice as large as the increase of a year ago. Data on trade output of poultry at the four principal markets indicate that during this period current consumption was around 20 percent smaller than that of last year at the same time.

The markets are now beginning to pay considerable attention to the turkey situation. Supplies are gradually increasing, and prices worked several cents lower during the first 3 weeks of October. Opinions as to the probable prices at Thanksgiving vary, although in view of the generally conceded smaller crop it is expected that prices will be higher than those of a year ago. The present supply of other classes of poultry, however, will act as a damper to any unreasonable increase and will tend to hold prices to a more moderate level. Some fear is expressed that short feed crops in some areas and high feed prices may result in heavy receipts of poorly finished birds, but turkeys so far received have shown unusually good quality and finish.

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DOMESTIC DAIRY MARKET SITUATION

Not for some time, if ever before, have so many new factors entered to influence the dairy situation as are to be found at this time. Short feed supplies have already exerted an important influence in some areas, and as the winter feeding season approaches, there is added uncertainty as to what may be expected in the matter of production. In turn, there is uncertainty as to price developments.

Following the unprecedented drought of the past summer, sharp curtailments in production were naturally to be expected, and these occurred in certain sections, notably the area from the Dakotas south to and including Texas. On the other hand, production held up remarkably well in other sections less affected by the drought, and in some cases has during recent months actually exceeded that of last season. The acute feed shortage, however, seems bound to be a continuing influence in the months immediately ahead, for there is the possibility that even in those areas where production so far has held up, feed supplies may be severely depleted before the winter feeding period is over, and that in areas where feeds must be purchased, the prices of feeds in relation to prices of dairy products will continue unusually high.

Stocks of dairy products, as a whole, are considerably below a year ago, and estimates of apparent consumption indicate substantial increases over 1933, particularly during the summer months and in September, both of which conditions contribute considerable support to the dairy-market situation. Regardless of this, however, price advances have been conservative, indicating that trading is not being done with the fullest degree of confidence.

The report of estimated creamery-butter production in September shows an increase for the country as a whole of almost 2 million pounds, or 1.3 percent, more than September 1933. In view of previous months' relationships to 1933 production, this increase is somewhat of a surprise, although some of the weekly trade reports during September suggested such a possibility. It is true that the percentage decreases under corresponding periods of 1933 were less in July and August than in earlier months, but in no month of the current year up to September had butter production exceeded that of 1933. The September estimate of 141,809,000 pounds establishes a new high record for that month, and makes the shortage for the first 9 months of this year but 6.5 percent under January to September, inclusive, 1933, instead of 7.5 percent, which was the decrease at the end of August. In terms of volume, creamery-butter production during the 9 months' period this year was about 91 million pounds less than in 1933.

The increases in September over 1933 occurred in a widespread area. Minnesota, Iowa, and Wisconsin lead again, as in August, but other States in which substantial gains occurred include Michigan, Illinois, Indiana, and Ohio in the East North Central area, as well as Kentucky, Tennessee, and Mississippi in the South. Production also continued relatively heavy in the Northeastern States. States where decreases occurred included Nebraska, Kansas, Missouri, Texas, Oklahoma, and all of the Mountain and Pacific States. In several of these there were also very heavy decreases in August. Favorable weather conditions account for increases where such occurred.

Weekly trade reports on production during October suggest that the same increase over 1933 is not being maintained, although there are press reports to the effect that in some sections the fall weather so far has been unusually favorable from a production standpoint.

Production of cheese in September is estimated to have exceeded that of a year earlier by over 7 percent, with the sectional changes somewhat similar to butter. Estimated production of American type cheese alone was 38,205,000 pounds, an increase of 2,600,000 pounds

over September last year, 1,300,000 pounds of this occurring in Wisconsin, and 1,000,000 pounds in New York State. The New York State increase was 40 percent. Evaporated milk production during September was 13 percent above last year, but condensed milk was 7 percent less. Reduced to a milk equivalent basis, September production of creamery butter, cheese, and canned milks was 3 percent greater than in September 1933, although for the period January to September, inclusive, it was 5 percent less.

The peak of storage butter stocks was not reached this year until October 1, a month later than usual. This was apparently due in part to the heavy make in September already referred to, and possibly in part also to the rather unsettled tone of the butter market at times during the month, which made it difficult to effect profitable sales of current arrivals and resulted in such butter going into storage to avoid positive losses. October 1 stocks in storage amounted to 124,814,000 pounds. Last year on the same date stocks totaled 174,713,000 pounds, but it must be recalled that a new high record was established last year, and thus, this year's shortage of 50 million pounds loses some of its significance. The 5-year average for October 1 is 126,877,000 pounds, which takes into account the record holdings of 1933, so that this year's stocks are not greatly different than average.

Condensed and evaporated milk stocks in the hands of manufacturers on October 1 were also lighter than a year ago. Evaporated milk stocks increased 8 million pounds during September, and there was an increase during the same month last year, although the average September change over the last 5 years is a decrease. This year's situation, however, is the cause of no alarm, for the movement of evaporated milk into trade channels has been unusually good, and, furthermore, production has kept fairly well within current trade requirements, allowing for reasonable-sized working stocks.

Cheese stocks continue to be very heavy. The amount of American cheese in storage on October 1 was 108,646,000 pounds, an increase of 9 million pounds over a year earlier, and 25 million pounds above the October 1 5-year average. Stocks of all the foregoing products combined on a milk equivalent basis were 18 percent below a year ago on October 1.

Prices of most classes of dairy products average higher than in October 1933. Wholesale butter prices at New York at present (Oct. 26) are 4 cents above a year ago on 92 score quality, and there has been a gain of about 2 cents per pound since the 1st of the month. Butter prices held steady at 24 cents throughout October last year at the time the Dairy Marketing Corporation was active. Cheese prices generally are slightly higher than a year ago. Evaporated milk wholesale selling prices continued unchanged, averaging the same as a year ago. Fluid milk prices are definitely above those of last October, dealers' buying prices for class 1 milk averaging 25 cents per hundred weight higher, and retail prices slightly over one-half cent per quart higher. Several price declines are in prospect shortly, however, for areas under Federal license where exceptionally favorable production conditions have brought about an increased milk flow. These points are all in the Middle West.

Apparent consumption of cheese and evaporated milk increased very materially during September, as compared with September 1933.

In the case of cheese, the increase was 5½ million pounds, or 12.4 percent, and on evaporated milk the increase was 40½ million pounds, or 42 percent. Of particular note is the latter, for in August there was a 96 percent increase in evaporated milk output. For the 2 months combined, the increase amounted to over 140 million pounds. Butter consumption in September, on the other hand, decreased 3 million pounds under September 1933, and condensed milk 2½ million pounds. The apparent consumption of butter, cheese, and canned milk was 11.3 percent higher in September than in 1933. For the calendar year to October 1, the apparent consumption of these products exceeded that of the corresponding period of 1933 by 4 percent.

L. M. DAVIS,
Division of Dairy and Poultry Products.

SUMMARY OF DAIRY STATISTICS

[Millions of pounds; 000,000 omitted]

PRODUCTION

Product	September			January to September, inclusive		
	1934	1933	Percent change	1934	1933	Percent change
Creamery butter	142	140	+1.3	1,310	1,401	−6.5
Cheese	51	47	+8.8	445	437	+1.8
Condensed milk	16	17	−7.3	177	162	+8.9
Evaporated milk [1]	146	129	+12.9	1,385	1,445	−4.1
Total milk equivalent	3,847	3,734	+3.0	35,390	37,324	−5.2

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Creamery butter	137	141	−2.3	1,296	1,248	+3.8
Cheese	50	45	+12.4	442	427	+3.6
Condensed milk	17	20	−12.7	164	154	+6.9
Evaporated milk [1]	136	96	+42.4	1,392	1,311	+6.2
Total milk equivalent	4,068	3,656	+11.3	35,054	33,704	+4.0

[1] Case goods only.

THE FARM CREDIT SITUATION

The outstanding feature of agricultural credit in 1934 has been the extraordinary increase in the volume of farm-mortgage loans extended by the Farm Credit Administration through the Federal land banks and land bank commissioners' loans, and the marked decline in the farm-mortgage holdings of life insurance companies, joint-stock land banks, and other private lending agencies in the farm-mortgage field.

Loans held by the Federal land banks totaled $1,790,000,000 on September 30, 1934, as compared with $1,110,000,000 on September 30, 1933; commissioners' loans increased from $6,000,000 to $516,000,000 during the same period. Loans held by 39 life insurance companies representing 82 percent of the assets of all American legal reserve companies declined from $1,300,000,000 in August 1933 to $1,047,000,000 in August 1934. To a large extent these developments have been the result of a refunding by Federally sponsored agencies of loans previously held by others.

The year has been characterized also by substantial increases in the number of production credit associations and in the total volume of short-term farm credit extended by these new units and by the regional agricultural credit corporations. Emergency crop loans have occupied a place much less important than in previous years, the total amount extended in 1934 approximately only a fraction of that granted in previous years. Commercial banks have continued to be comparatively inactive in the extension of farm credit.

In general, however, improvement in the facilities and capacity of existing credit agencies has had the effect of placing at farmers' disposal a larger amount of credit than has been the case for several years. Some increases in the supply of new credit from private sources are reported from several States.

The cost of farm credit during the last year has tended toward lower rates chiefly owing to the lower rate offered by Federally sponsored agencies. Federal land bank contract rates to borrowers have continued at 5 percent with an actual rate of only 4½ percent during the 5-year arrangement now in effect. Central money market conditions have been extremely favorable for these reductions in loan rates, and Government guaranty of the financial instrumentalities employed by the Federally sponsored concerns has further contributed to the low rates on credit from that source. Comparatively little change is reported in the rates on mortgage loans by private agencies.

This greater supply of low-cost credit, the increased farm income in most areas, and the continued existence of moratorium measures, have resulted in less farm mortgage delinquency than for the previous year. Slightly increased values and an increased activity in farm land values have been additional factors which have given a more hopeful turn to the farm-mortgage-credit situation. Hesitancy in the use of credit continues among farmers as a natural result of the long depression and extended period of debt distress.

Fertilizer companies estimate that a smaller proportion of farmers' fertilizer purchases will be made on credit in 1935 than in 1934.

The tables on the following pages indicate the monthly changes in the volume of outstanding and of new loans and the interest rates that have been quoted on various types of credit during the last year.

DAVID L. WICKENS,
Division of Agricultural Finance.

AGRICULTURAL LOANS OUTSTANDING [1]

[Millions of dollars]

End of year or month	Farm mortgage loans by—					Federal intermediate credit bank loans		Production credit associations	Regional agricultural credit corporations	Emergency crop loans
	39 life-insurance companies	Member banks	Federal land banks	Land bank commissioners' loans to farmers	Joint-stock land banks [2]	Regional agricultural credit corporations and production credit associations [3]	All other institutions			
1926	1,575	489	1,078	------	632	------	------	------	------	2
1927	1,606	478	1,156	------	670	------	------	------	------	2
1928	1,594	444	1,194	------	657	------	------	------	------	2
1929	1,579	388	1,198	------	627	------	------	------	------	3
1930	1,543	387	1,188	------	591	------	------	------	------	5
1931	1,503	359	1,163	------	537	------	------	------	------	53
1932	1,402	356	1,117	------	459	------	------	------	24	90
1933	1,234	[4] 318	1,214	70.7	392	73	76	0.03	145	90
1934:										
Jan	1,214	------	1,288	120.4	381	75	75	.2	145	81
Feb	1,193	------	1,371	174.3	370	77	71	.7	146	73
Mar	1,164	298	1,458	237.9	349	86	71	4.4	145	68
Apr	1,143	------	1,484	258.7	345	103	70	14.4	145	84
May	1,124	------	1,549	311.4	335	120	70	28.1	143	90
June	1,101	288	1,631	378.5	320	127	71	38.5	138	91
July	1,076	------	1,690	429.8	306	128	73	49.8	129	91
Aug	1,047	------	1,746	477.8	295	125	74	58.1	118	92
Sept	------	------	1,792	516.3	285	118	73	60.9	107	91

[1] Data for life-insurance companies from Association of Life Insurance Presidents; data for member banks from Federal Reserve Board; other data from Farm Credit Administration.

[2] Includes loans outstanding of joint-stock land banks in receivership.

[3] Some of the loans made by the regional agricultural credit corporations and all of the loans made by the production credit associations are rediscounted with the Federal intermediate credit banks. The amounts in this column are thus included in the columns headed "Production Credit Associations" and "Regional Agricultural Credit Corporations."

[4] Licensed banks only.

NEW AGRICULTURAL LOANS, DISCOUNTS, AND INVESTMENTS

[Thousands of dollars]

Year and month	Federal land banks	Land bank commissioner's loans to farmers	Federal intermediate credit banks		Regional agricultural credit corporations	Production credit associations	Emergency crop loans	Agricultural Marketing Act revolving fund	Banks for cooperatives, including central banks
			To regional agricultural credit corporations and production credit associations [1]	All other institutions [2]					
1933	151, 634	70, 812	107, 967	171, 695	221, 397	27	59, 396	46, 711	27, 144
1934									
Jan	77, 843	49, 795	12, 886	14, 155	21, 061	134	------	253	786
Feb	86, 179	54, 120	11, 570	7, 102	17, 540	515	------	259	1, 440
Mar	89, 346	63, 838	22, 141	10, 052	16, 993	3, 766	611	271	1, 323
Apr	25, 362	21, 271	25, 952	12, 054	12, 373	10, 110	18, 118	67	1, 594
May	68, 078	53, 203	28, 072	13, 826	10, 693	14, 112	8, 765	360	2, 651
June	86, 109	67, 770	19, 582	14, 862	8, 192	11, 296	1, 083	1, 289	1, 878
July	65, 056	51, 956	18, 852	12, 338	6, 752	13, 022	2, 272	2, 302	13, 682
Aug	60, 261	48, 619	17, 390	11, 257	7, 685	12, 402	2, 458	247	4, 049
Sept	48, 260	39, 208	16, 839	11, 542	5, 676	11, 115	2, 323	516	1, 517

Above data from Farm Credit Administration.

[1] Some of the loans made by the regional agricultural credit corporations and all of the loans made by the production credit associations are rediscounted with the Federal intermediate credit banks. The amounts in this column are thus included in the columns headed "Production credit associations" and "Regional agricultural credit corporations."

[2] Includes agricultural credit associations, livestock loan companies, and commercial banks.

INTEREST AND DISCOUNT RATES, AND BOND YIELDS

[Percentages]

Year and month	12 Federal land banks		60 high-grade bond yields	12 Federal intermediate credit banks' rates		Commercial paper rates (4- to 6-month average)	Federal reserve bank (New York) discount rate
	Rates to borrowers	Bond yields		On loans	On discounts		
1917	5. 05	4. 33	4. 80	------	------	4. 74	4 –4½
1920	5. 50	5. 14	5. 88	------	------	7. 46	4¾–7
1923	5. 50	4. 39	4. 98	5. 50	5. 50	5. 01	4 –4½
1929	5. 32	4. 78	4. 70	5. 56	5. 61	5. 84	4½–6
1930	5. 63	4. 70	4. 52	4. 53	4. 54	3. 58	2½–4½
1931	5. 63	5. 34	4. 70	4. 08	4. 08	2. 63	1½–3½
1932	5. 58	5. 56	5. 85	3. 25	3. 25	1. 50	2½
1933—January	5. 58	5. 30	5. 59	3. 17	3. 17	1. 38	2½
June	5. 58	5. 54	5. 37	3. 10	3. 10	1. 75	3–2½
December	5. 00	5. 81	5. 63	2. 96	2. 96	1. 38	2
1934—January	5. 00	5. 08	5. 25	2. 98	2. 98	1. 38	2
February	5. 00	4. 76	4. 90	3. 00	3. 00	1. 38	1½
March	5. 00	4. 51	4. 74	2. 74	2. 74	1. 12	1½
April	5. 00	3. 03	4. 61	2. 50	2. 50	1. 12	1½
May	5. 00	2. 88	4. 56	2. 26	2. 26	1. 00	1½
June	5. 00	2. 76	4. 47	2. 00	2. 00	. 88	1½
July	5. 00	3. 08	4. 45	2. 00	2. 00	. 88	1½
August	5. 00	3. 88	4. 55	2. 00	2. 00	. 88	1½
September	5. 00	4. 32	------	2. 00	2. 00	. 88	1½

PRICES OF FARM PRODUCTS

Estimates of average prices received by producers at local farm markets based on reports to the division of crop and livestock estimates of this Bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

Product	5-year average, August 1909–July 1914	October average, 1910–14	October 1933	September 1934	October 1934	Parity price, October 1934
Cotton, per pound----cents	12.4	10.9	9.0	13.1	12.5	15.6
Corn, per bushel-----do----	64.2	66.7	38.8	77.4	76.7	80.9
Wheat, per bushel----do----	88.4	87.7	63.6	92.2	88.5	111.4
Hay, per ton-------dollars	11.87	11.63	7.54	13.03	13.40	14.96
Potatoes, per bushel---cents	69.7	64.6	74.9	62.8	49.0	87.8
Oats, per bushel-----do----	39.9	38.9	27.9	50.3	50.5	50.3
Beef cattle, per 100 pounds dollars	5.21	5.32	3.50	4.21	3.96	6.56
Hogs, per 100 pounds--do----	7.22	7.38	4.17	6.04	5.20	9.10
Chickens, per pound--cents	11.4	11.7	9.3	12.7	11.8	14.4
Eggs, per dozen------do----	21.5	23.9	20.8	21.9	23.7	[1] 32.2
Butter, per pound----do----	25.5	26.3	21.7	24.5	24.6	32.1
Butterfat, per pound--do----	26.3	26.8	20.1	24.0	24.3	33.1
Wool, per pound-----do----	17.8	17.1	23.6	19.5	19.3	22.2
Veal calves, per 100 pounds dollars	6.75	7.03	4.84	5.23	5.19	8.50
Lambs, per 100 pounds-do----	5.90	5.50	5.01	4.86	4.81	7.40
Horses, each----------do----	142.00	138.00	69.00	79.00	78.00	179.00

[1] Adjusted for seasonality.

COLD-STORAGE SITUATION

[Oct. 1 holdings, shows nearest millions; i. e., 000,000 omitted]

Commodity	5-year average, 1929–33	Year ago	Month ago	October 1934
Apples, total barrels----------	[1] 1,874	[1] 1,749	--------	[1] 3,888
Frozen and preserved fruits-pounds--	80	65	72	71
40 percent cream----40-quart cans--	--------	[1] 199	[1] 148	[1] 142
Creamery butter----------pounds--	127	175	120	125
American cheese----------do----	84	99	104	109
Frozen eggs----------do----	94	93	112	100
Shell eggs----------cases--	[1] 7,338	[1] 7,466	[1] 7,938	[1] 6,803
Total poultry----------pounds--	49	50	46	55
Total beef----------do----	46	51	80	93
Total pork----------do----	530	630	542	524
Lard----------do----	109	192	167	128
Lamb and mutton, frozen----do----	3	2	2	2
Total meats----------do----	642	748	714	724

[1] 3 ciphers omitted.

CASH INCOME FROM THE SALE OF FARM PRODUCTS AND RENTAL AND BENEFIT PAYMENTS TO FARMERS[1]

CASH INCOME FROM SALE OF FARM PRODUCTS

	Grains	Cotton and cotton-seed	Fruits and vege-tables	All crops	Meat ani-mals	Dairy prod-ucts	Poul-try and eggs	All live-stock and prod-ucts	Total crops and live-stock
1933	*Mil-lion dollars*	*Mil-lion dollars*	*Mil-lion dollars*	*Mil-lion dollars*	*Mil-lion dollars*	*Mil-lion dollars*	*Mil-lion dollars*	*Mil-lion dollars*	*Mil-lion dollars*
September	60	92	73	271	86	88	24	208	479
October	49	147	80	353	91	87	29	211	564
November	43	117	52	285	93	81	42	227	512
December	37	76	52	207	78	82	39	203	410
1934									
January	37	51	67	217	97	79	29	208	425
February	40	45	56	188	87	75	30	196	384
March	37	39	77	186	88	89	40	220	406
April	24	36	79	163	86	86	40	217	380
May	29	23	97	173	99	103	41	249	422
June	44	20	78	164	94	105	34	246	410
July	100	22	68	219	93	102	28	244	463
August	120	30	63	279	92	101	28	229	508
September:									
1924	269	234	115	703	160	116	44	330	1,033
1925	209	303	129	731	187	126	47	368	1,099
1926	166	206	120	581	199	128	55	392	973
1927	225	260	118	700	170	131	50	361	1,061
1928	172	183	116	546	198	145	58	409	955
1929	152	232	139	612	195	145	64	418	1,030
1930	115	143	102	439	161	128	49	341	780
1931	41	52	63	197	105	100	42	252	449
1932	51	61	41	191	87	75	32	200	391
1933	60	92	73	271	86	88	24	208	479
1934	77	110	64	342	112	95	30	244	586

[1] Data for July 1933–June 1934 revised from those published in August.

BENEFIT, RENTAL, AND DROUGHT-RELIEF PAYMENTS TO FARMERS NOT INCLUDED IN OTHER SOURCES OF INCOME

	Cotton	Tobacco	Wheat	Hogs[1]	Corn-hog	Cattle[2]	Total[3]
1933	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*	*Million dollars*
August	1						1
September	49			26			75
October	51	1		4			55
November	8		2	1			12
December	3		16				19
1934							
January	32		27				60
February	14		14				28
March	3		6				9
April	1	4	2				6
May	9	4	1		2		16
June	19	3	1		5	1	29
July	8	1	1		10	11	31
August	6	2	1		38	26	73
September	2		2		47	25	76

[1] Revised. For pigs purchased under emergency hog-reduction program.
[2] For cattle purchased under drought-relief program.
[3] Total of all benefit, rental, and drought-relief payments made during month may not check exactly with sum of payments on individual program.

GENERAL TREND OF PRICES AND WAGES

[1910–14=100]

Year and month	Wholesale prices of all commodities [1]	Industrial wages [2]	Prices paid by farmers for commodities used in—[3]			Farm wages	Taxes [4]
			Living	Production	Living-production		
1910	103	------	98	98	98	97	------
1911	95	------	100	103	101	97	------
1912	101	------	101	98	100	101	------
1913	102	------	100	102	101	104	100
1914	99	------	102	99	100	101	101
1915	102	101	107	104	105	102	110
1916	125	114	124	124	124	112	116
1917	172	129	147	151	149	140	129
1918	192	160	177	174	176	176	137
1919	202	185	210	192	202	206	172
1920	225	222	222	174	201	239	209
1921	142	203	161	141	152	150	223
1922	141	197	156	139	149	146	224
1923	147	214	160	141	152	166	228
1924	143	218	159	143	152	166	228
1925	151	223	164	147	157	168	232
1926	146	229	162	146	155	171	232
1927	139	231	159	145	153	170	238
1928	141	232	160	148	155	169	239
1929	139	236	158	147	153	170	241
1930	126	226	148	140	145	152	238
1931	107	207	126	122	124	116	218
1932	95	178	108	107	107	86	189
1933	96	171	109	108	109	80	------
1933							
May	92	169	------	------	102	------	------
June	95	172	102	104	103	------	------
July	101	176	------	------	107	78	------
August	102	176	------	------	112	------	------
September	103	179	117	114	116	------	------
October	104	177	------	------	116	86	------
November	104	175	------	------	116	------	------
December	103	176	117	114	116	------	------
1934							
January	105	179	------	------	117	81	------
February	107	179	------	------	119	------	------
March	108	184	121	119	120	------	------
April	107	183	------	------	120	88	------
May	108	183	------	------	121	------	------
June	109	182	122	121	121	------	------
July	109	181	------	------	122	90	------
August	112	184	------	------	125	------	------
September	113	182	123	129	126	------	------

[1] Bureau of Labor Statistics. Index obtained by dividing the new series 1926=100, by its pre-war average 1910–14, 68.5.

[2] Average weekly earnings, New York State factories. June 1914=100.

[3] Revised. These indexes are based on retail prices paid by farmers for commodities used in living and production reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

[4] Revised. Index of farm real-estate taxes, per acre, 1913=100.

GENERAL TREND OF PRICES AND PURCHASING POWER [1]

[August 1909–July 1914=100]

Year and month	Index numbers of farm prices								Prices paid by farmers for commodities bought	Ratio of prices received to prices paid
	Grains	Cotton and cotton seed	Fruits	Truck crops [2]	Dairy products	Chickens and eggs	Meat animals	All groups		
1910	104	113	101	-----	99	104	103	102	98	104
1911	96	101	102	-----	95	91	87	95	101	94
1912	106	87	94	-----	102	100	95	100	100	100
1913	92	97	107	-----	105	101	108	101	101	100
1914	102	85	91	-----	102	106	112	101	100	101
1915	120	77	82	-----	103	101	104	98	105	93
1916	126	119	100	-----	109	116	120	118	124	95
1917	217	187	118	-----	135	155	174	175	149	117
1918	227	245	172	-----	163	186	203	202	176	115
1919	233	247	178	-----	186	209	207	213	202	105
1920	232	248	191	-----	198	223	174	211	201	105
1921	112	101	157	-----	156	162	109	125	152	82
1922	106	156	174	-----	143	141	114	132	149	89
1923	113	216	137	-----	159	146	107	142	152	93
1924	129	212	125	150	149	149	110	143	152	94
1925	157	177	172	153	153	163	140	156	157	99
1926	131	122	138	143	152	159	147	145	155	94
1927	128	128	144	121	155	144	140	139	153	91
1928	130	152	176	159	158	153	151	149	155	96
1929	120	144	141	149	157	162	156	146	153	95
1930	100	102	162	140	137	129	133	126	145	87
1931	63	63	98	117	108	100	92	87	124	70
1932	44	47	82	102	83	82	63	65	107	61
1933	62	64	74	104	82	75	60	70	109	64
1933										
June	63	69	86	111	80	58	66	71	103	69
July	94	84	81	102	88	69	66	83	107	78
August	81	71	74	95	85	69	64	79	112	71
September	78	69	78	147	89	78	62	80	116	69
October	69	71	77	123	91	93	64	78	116	67
November	75	76	70	127	92	102	59	80	116	69
December	73	77	74	114	88	94	52	78	116	67
1934										
January	76	82	86	102	84	82	55	77	117	66
February	79	93	87	101	92	78	65	83	119	70
March	79	94	97	79	95	74	66	84	120	70
April	77	94	96	98	91	72	64	82	120	68
May	78	90	110	89	91	72	64	82	121	68
June	89	94	137	80	93	72	64	86	121	71
July	91	99	113	102	94	76	66	87	122	71
August	106	107	101	108	97	86	68	96	125	77
September	112	110	93	133	99	104	82	103	126	82
October	109	107	98	101	100	108	74	100	126	79

[1] Revised.

[2] The original "Index Numbers of Prices to Producers of Commercial Truck Crops for Shipment" (with 1924–29=100) were raised to the level of all other group indexes (with a pre-war base) in 1924–29 by multiplying by 146.

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by the Foreign Agricultural Service Division of this Bureau.

Year and month	Wheat,[1] including flour	Tobacco (leaf)	Bacon,[2] hams, and shoulders	Lard [3]	Apples (fresh)	Cotton,[4] running bales
	1,000 bushels	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 bushels*	*1,000 bales*
Total:						
1920	311,601	467,662	821,922	612,250	5,393	6,111
1921	359,021	515,353	647,680	868,942	5,809	6,385
1922	235,307	430,908	631,452	766,950	4,945	6,015
1923	175,190	474,500	828,890	1,035,382	8,876	5,224
1924	241,454	546,555	637,980	944,095	10,261	6,653
1925	138,784	468,471	467,459	688,829	10,043	8,362
1926	193,971	478,773	351,591	698,961	16,170	8,916
1927	228,576	506,252	237,720	681,303	15,534	9,199
1928	151,976	575,408	248,278	759,722	13,635	8,546
1929	154,348	555,347	275,118	829,328	16,856	7,418
1930	149,154	560,958	216,953	642,486	15,850	6,474
1931	125,686	503,531	123,246	568,708	17,785	6,849
1932	82,118	387,766	84,175	546,202	16,919	8,916
1933	27,512	420,418	100,169	579,072	11,029	8,532
September:						
1920	35,182	37,261	50,369	46,326	140	227
1921	39,310	33,009	61,856	104,741	68	513
1922	32,099	33,102	51,040	61,120	394	365
1923	22,779	37,646	76,911	83,630	747	686
1924	39,537	37,245	43,117	65,810	762	734
1925	13,152	50,677	32,900	62,646	1,237	750
1926	31,031	38,319	26,929	61,577	1,650	789
1927	39,792	38,394	23,952	59,736	678	620
1928	22,772	56,953	13,956	46,158	584	810
1929	18,568	54,520	19,425	58,339	616	726
1930	19,352	52,516	11,622	37,417	880	903
1931	11,729	43,356	7,864	37,790	1,401	558
1932	4,226	41,307	6,255	44,789	1,084	734
1933	1,531	40,881	8,632	48,743	435	869
1933						
October	1,490	64,464	8,147	49,812	1,433	1,047
November	1,930	42,566	10,306	47,563	1,695	915
December	6,876	60,783	6,561	54,778	1,896	820
1934						
January	5,548	25,753	4,965	51,202	2,556	739
February	4,039	27,571	7,012	36,908	2,166	628
March	4,733	43,024	7,206	39,493	1,029	567
April	5,482	39,887	6,280	39,350	387	387
May	2,725	30,512	7,702	66,167	35	285
June	1,415	27,799	8,137	41,008	9	459
July	2,168	17,636	11,572	33,466	127	306
August	3,818	23,620	8,769	29,358	201	268
September	2,190	50,630	4,902	31,506	543	480

[1] Wheat flour is converted on a basis of 4.7 bushels of grain equal to 1 barrel of flour.
[2] Includes Cumberland and Wiltshire sides.
[3] Excludes neutral lard.
[4] Excludes linters.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

Production, consumption, and movements	September 1933	August 1934	September 1934	Month's trend
Production				
Pig iron, daily (thousand tons)	51	35	30	Decrease.
Bituminous coal (million tons)	30	27	28	Increase.
Steel ingots (thousand long tons)	2, 283	1, 363	1, 252	Decrease.
Consumption				
Cotton by mills (thousand bales).	499	421	296	Do.
Unfilled orders, Steel Corporation shipments of finished steel products (thousand tons).	575	378	370	Do.
Building contracts in 37 northeastern States (million dollars).	120	120	110	Do.
Hogs slaughtered (thousands)	5, 552	1, 420	1, 531	Increase.
Cattle slaughtered (thousands)	1, 004	2, 186	2, 140	Decrease.
Sheep slaughtered (thousands)	1, 277	1, 106	1, 384	Increase.
Movements				
Bank debits (outside New York City) (billion dollars).	12	13	13	Unchanged.
Carloadings (thousands)	3, 241	2, 420	3, 142	Increase.
Mail-order sales (million dollars)	43	44	53	Do.
Employees, New York State factories (thousands).	344	348	353	Do.
Average price 25 industrial stocks (dollars).	135. 45	130. 46	129. 95	Decrease.
Interest rate (4–6 months' paper, New York) (percent).	1. 38	0. 88	0. 88	Unchanged.
Retail food price index (Department of Labor).[1]	110	115	120	Increase.
Wholesale price index (Department of Labor).[1]	103	112	113	Do.

[1] 1910–14 basis.

Data in the above table, excepting livestock slaughter and price indexes, are from the Survey of Current Business, Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce.

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